liquidity crunch in the bank.

To safeguard the interest of depositors, RBI has taken several measures which *inter alia* include supercession of board of directors and appointment of administrators; Registrar of Cooperative Societies (RCS) was advised to file criminal complaint against the top management of the bank; direction under Section 35A of the Banking Regulation Act, 1949 was issued for protecting the interest of the depositors placing certain restriction on acceptance of deposits and lending.

Evasion of Income-Tax by Maiden Leatherite Ltd.

103. SHRI BHAGATRAM MANHAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a large number of complaints have been received against the owner and his family members of Maiden Leatherite Limited and other benami companies at WZ-169, Madipur Village, Delhi;

(b) if so, the capital base and turnover of the company;

(c) whether any notice under Section 142(1) has been sent to the owner and his family members separately, if so, when and the action taken thereon; and

(d) whether it is also a fact that the company has evaded excise duty and income tax to the tune of lakhs of rupees; and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) A complaint dated 20.7.2000 was received against the owner of M/s Maiden Leatherite Limited and the members of his family.

(b) As per the Profit & Loss Account and Balance Sheet for 1996-97, the total capital base of the company was Rs. 3,08,000/-, and total turnover was Rs. 2,14,395/-. The company has reportedly not undertaken any business after 1996-97.

(c) Notice under Section 142(1) of the Income Tax Act was issued on 21.11.2001 and 10.1.2002, calling for the books of accounts. The proceedings are in progress.

(d) No evidence of such evasion has yet been established.

Aid to minor irrigation projects in Tamil Nadu

104. PROF. M. SANKARALINGAM: Will the Minister of FINANCE be pleased to state:

(a) whether any priority has been accorded by the financial institutions for financial assistance to minor irrigation projects to augment agriculture in Tamil Nadu; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) As per the guidelines issued by Reserve Bank of India (RBI) to banks on lending to priority sector, medium and long-term loans for development of irrigation potential are classified as 'Direct Finance to Agriculture'. In order to improve institutional finance to agriculture, public sector banks have been advised to formulate Special Agriculture Credit Plan (SACP). Accordingly, banks have been formulating such plans since 1994-95. Under SACP, banks are required to fix self-set targets, generally by showing increase of about 20-25% over the disbursements made during the previous year.